



THE

# KNIGHT



VOLUME 28 No. 5. Issue #151. The LITHUANIAN Numismatic Association. Frank Passic, EDITOR. May-June 2006

## COMMISSION DENIES EURO. GO-AHEAD

Lithuania's plans to introduce the Euro on January 1, 2007 came to a screeching halt on May 16 when the European Commission declared Lithuania's inflation rate of 2.7% was too much to allow the Euro to be introduced in 2007. A final decision will be made on July 11 by EU finance ministers.

Despite the setback, we are devoting this issue to publish selected articles that have been appearing in the Lithuanian press regarding the Litas and the Euro. Special thanks to Ignas Ropininkas for supplying us with these timely articles, as well as to our director, Aleksandras Radžius, for translating them into the English language.

### A TASK FOR THE BANK: COLLECT 1,300 TONS OF COINS!

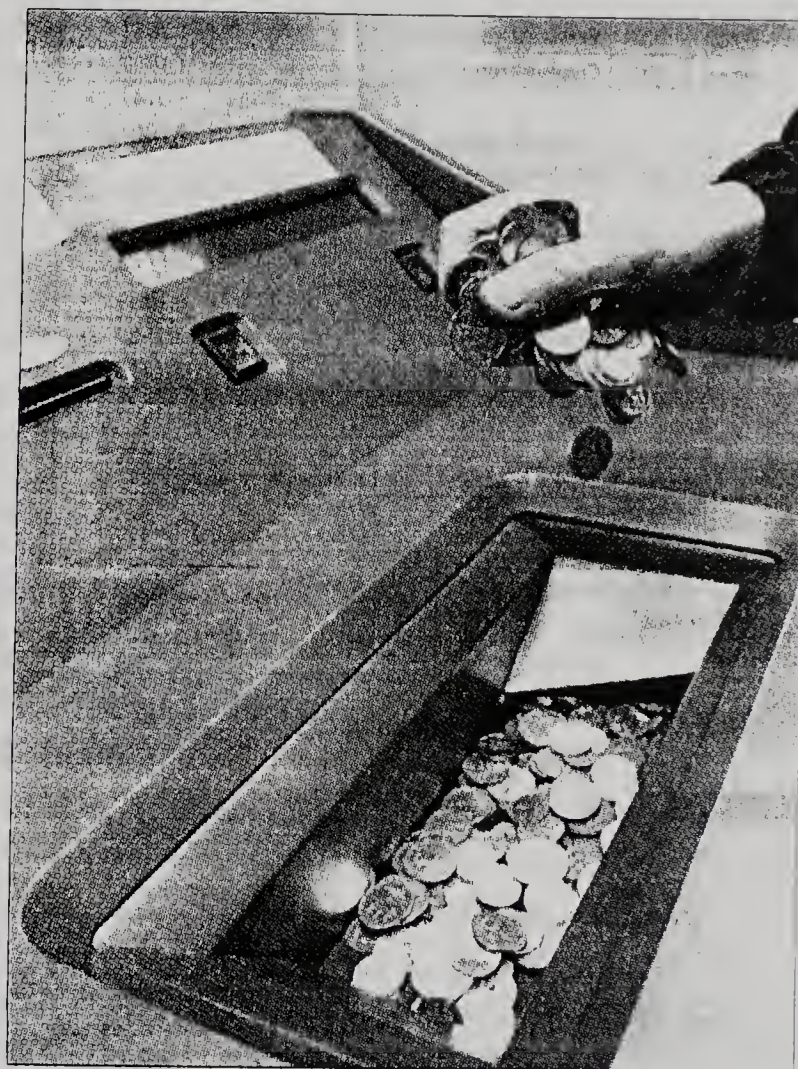
[From Lietuvos Rytas, December 31, 2005. By Mantas Dubauskas.]

Better Results were Expected. The nation's inhabitants were in a hurry to get rid of their stacks of cents. During November 67% more litai and centai coins were exchanged in banks than during prior months. One centas coins were exchanged at twice the rate previously experienced. However, the Bank of Lithuania issues each month many more centai coins than are returned by the inhabitants. A couple of months ago, the Bank of Lithuania asked that small change not be hoarded, but the appeal did not produce the desired result.

"The results were more modest than what we expected," said Liudas Jonikas, Director of the Cashiers Department of the Bank of Lithuania.

Lithuania is planning to introduce the Euro in a years time. Thus, the retrieval of coins and banknotes from the public is a serious problem. At this time there are about 650 million 1 litas and centai coins in circulation. Currently, less than 6 million coins are returned to the Bank of Lithuania monthly.

There will be New Money Exchange Stations. According to L. Jonikas, most worrisome is the pulling of coins from circulation. They take up more room and weigh more than banknotes. Coins currently in circulation weigh more than 1,300 tons. Meanwhile all the banknotes weigh



*Currently, the inhabitants of Lithuania return to the Bank of Lithuania fewer small change coins than are placed into circulation. Photo by P. Lileika.*

only 60 tons. also, with the introduction of the Euro, about 1,000 tons of Euro coins will have to be transported.

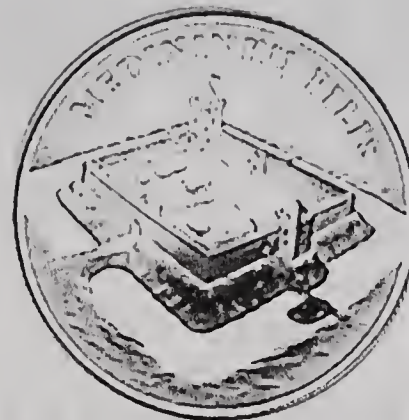
The Bank of Lithuania is proud of the fact that by the middle of next year [i.e. June, 2006] automated machines will be available to exchange small change. Such a machine will be able to distinguish the various denominations and exchange them for litai banknotes. According to L. Jonikas, work is now being done to determine how many

*Continued on page 3...*





**LIETUVOS BANKAS  
BANK OF LITHUANIA  
CASH DEPARTMENT**



**TO WHOM IT MAY CONCERN**

**ON DECLARING LEGAL TENDER AND THE ISSUE OF THE 50 LITAS COMMEMORATIVE COIN DEDICATED TO THE MEDININKAI CASTLE (FROM THE SERIES "HISTORICAL AND ARCHITECTURAL MONUMENTS OF LITHUANIA")**

**12 May 2006 No. 10.48.-1002-988**

Vilnius

We hereby inform you that, on the decision of the Board of the Bank of Lithuania, a new 50 litas commemorative coin of the Republic of Lithuania dedicated to the Medininkai Castle (from the series "Historical and Architectural Monuments of Lithuania") will be launched on 17 May 2006.

The 50 litas coin is made of silver (Ag 925), quality proof, diameter 38.61 mm, weight 28.28 g. The coin has a mirror surface with mat relief. The mintage of the coin is 2,500 pieces.

The obverse of the coin bears the state emblem *Vytis* in a shield. Above it run the inscriptions LIETUVA and 50 LITU. The mintmark of the UAB Lithuanian Mint is incorporated on the left of the coin, the year 2006 on the right. A fragment of the wall of the castle is incorporated in the background of the coin.

The Medininkai Castle is shown on the reverse by composing mirror and matt surfaces. At the top of the reverse runs the inscription MEDININKŲ PILIS (Medininkai Castle) arranged in a semi-circle.

The edge of the coin bears the inscription ISTORIJS IR ARCHITEKTŪROS PAMINKLAI (Historical and Architectural Monuments).

The coin was designed by Giedrius Paulauskis.

The coins were minted at the Lithuanian Mint.

The price of the 50 litas coin is LTL 110 (EUR 31.86) (in a display box) and LTL 90 (EUR 26.07) (without a box), including VAT. The silver commemorative coin can be obtained from the cash office of the Bank of Lithuania in Vilnius (2 Totorių St) and at the branches of the Bank of Lithuania in Kaunas (25 Maironio St) and Klaipėda (16 Naujoji Uosto St).

Enclosed please find the illustrations of the coin.

For further information please see the website of the Bank of Lithuania at [www.lb.lt](http://www.lb.lt).

Enclosed please also find leaflets with the descriptions of the coin in a separate envelope.

Yours faithfully,

/signed/

Liudas Jonikas  
Director

Contact person: Audronė Gruodytė, tel.: +370 5 2680 316, fax: +370 5 2680 314.

## **COLLECT 1,300 TONS OF COINS!** (Continued from page 1...)

3.

such machines will be needed and where to place them. It is estimated that in the whole of the country, 20 to 30 will be erected. One such machine costs about 40,000 litai.

### **A real headache - one centai coins**

According to L. Jonikas. Most of the worry is about the one centai coins. About 220 million coins are in circulation - that makes up about a third of all the coins in circulation. However, of the coins returned to the Bank of Lithuania, they make up a small fraction. For example, in November, 2.2 million coins were returned, of these only a fifth were 1 centai coins. L. Jonikas says that sometimes the Bank of Lithuania placed 8 times more 1 centai coins into circulation than it received back. This means that there will be difficulties when the litas is taken out of circulation, and that also there will be additional expenses.

"Some of the coins are lost, but also the coins are in great demand because merchants are used to setting prices such as 1.99 litai or 2.89 litai", said L. Jonikas.

It cost a couple times more to mint the 1 centai coins than they are worth. This year 30 million of these coins were minted. Next year it may be necessary to mint more 1 and 2 centai coins.

"All of Europe is suffering a shortage of small change", said L. Jonikas.

### **Coins remain in piggy banks**

Based on the experiences of other countries which introduced the euro, about half of all the litai and centai coins will remain in the public's pockets after the euro is introduced. This is because central banks generally exchange the currencies at no fee for a long time after the euro is introduced. Also, not all the inhabitants are in a hurry to exchange their coins since their value is relatively very small.

The litai and centai coins taken out of circulation will be destroyed. The plan is that the current national currency will be destroyed within one year's time.

## **LNA TO MEET SATURDAY, AUGUST 19 AT ANA CONVENTION**

Our Lithuanian Numismatic Association members, friends, and wannabes are welcome to attend our meeting on Saturday, August 19 at the American Numismatic Association Convention in Denver, Colorado at the Colorado Convention Center, 700 14th St. in Denver.

Our program will feature a presentation on DVD by LNA co-founder, the late Robert J. Douchis (1941-2005), entitled "Silver Bars."

LNA member Tony Tumonis will serve as moderator for the meeting. We encourage those attending to bring in their Lithuanian numismatic items to the

meeting for discussion. Check the official ANA schedule for the exact meeting time and room assignment.

Tony may be contacted at: P.O. Box 89792, Tucson, AZ 85752. E-mail: LITH57@aol.com.

## **FOR SALE**

Lithuanian 1922 various centas denominations banknotes, both "temporary" and "permanent" issues. Begin your Lithuanian banknote collection! List and prices sent by e-mail: Albionfp@hotmail.com or write: Frank Passic, 900 S. Eaton St., Albion, MI 49224.



# LITHUANIA HAS TO MINT 290 MILLION EURO COINS AND 118 BANKNOTES BY THE YEAR 2007

*Kauno Diena*, October 10, 2005. By Jolanta Vaitiekūnienė

The Mint of Lithuania is planning this June to begin mass production of euro coins: the plan is to work in three shifts and mint a million coins in a 24 hour workday.

The workers of the Lithuanian mint have already made Lithuanian euro test strikes. As is well known, on the national side will be a Vytis. The mint is still waiting to get an example of the common side used by all the nations of the European Union and which now depicts the map of an expanded European Union. The new design of the common side has to be approved by the European Central Bank.

Jonas Valatka, Director of the Mint informed us that to introduce the new currency, about 200 million coins of various denominations and 1 cent coins will be needed. The mint has already acquired or has produced all the equipment and tools that will be required for the minting.

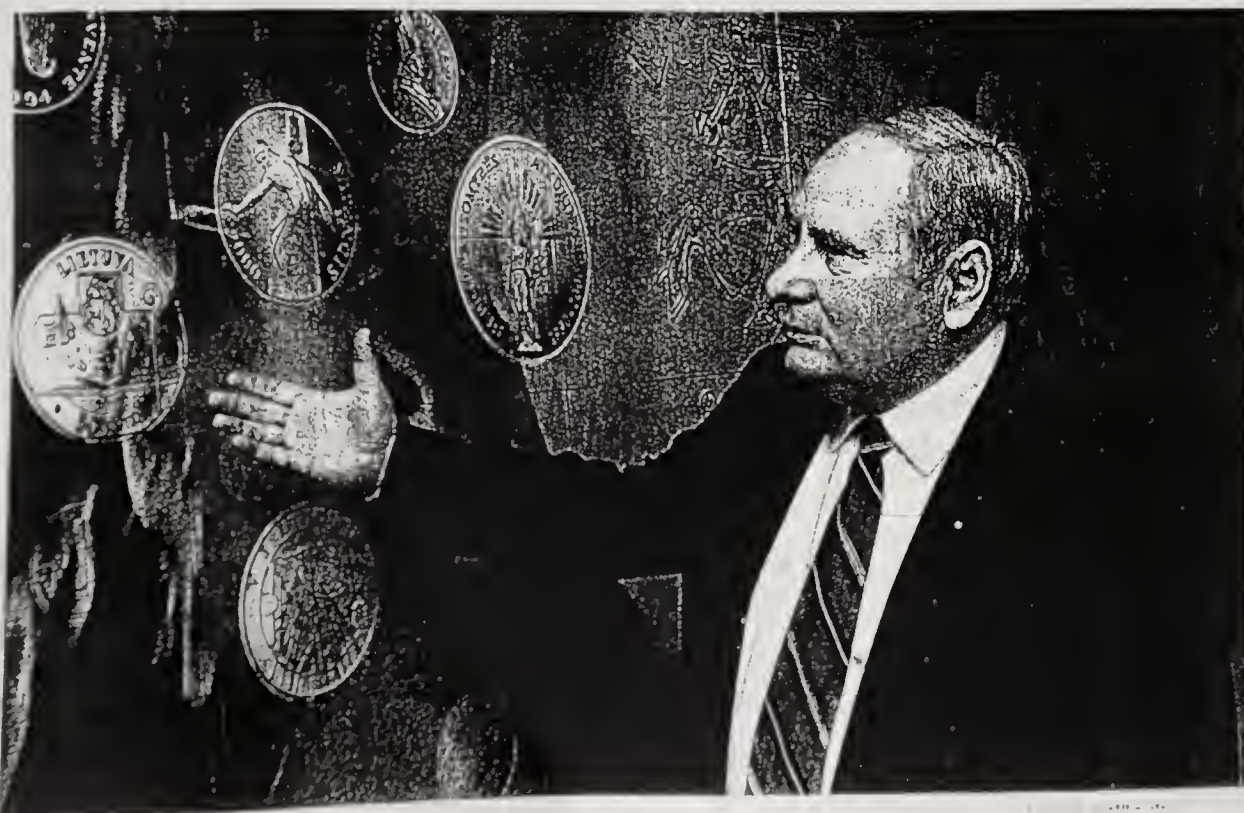
## All Latvian decorations

Neither the Latvians nor the Estonians have their own mints. The latter plan to have their coins minted in Finland.

"Our technology is equal to that of the largest mint in the world, we differ only in size", noted Mr. Valatka.

The Mint of Lithuania gets orders from the other two Baltic countries, Byelorussia, Armenia as well as other orders. Not only are all Lithuanian decorations, but also all of the Latvian decorations are produced in Vilnius.

For the Latvian, we recreate them from museum specimens. In two years we minted about 400 decorations for our neighbors. Prior to that we produced about 1,800 Lithuanian decorations", said the mint's director.



*"Hard work is waiting for us, to mint the required number of Lithuanian euro coins and at the same time not lose other valuable orders." Jonas Valatka, Director of the Mint of Lithuania, is planning the graphics for upcoming coins. Photo by Vladimiras Ivanovas.*



*Examples of the technology required to mint euro coins have been produced in Vilnius.*



Not only coins for circulations but also coins for collectors specifically are minted. The mint has earned professional recognition. Among them was the 'Most Artistic Coin' award a couple of years ago for the Lithuanian 50 litai Sidney Olympic games commemorative coin. It was awarded by US 'Krause Publications' during its annual competition. This year, the 'Coin of the Year' and the 'Most Artistic Coin' prizes went to the Byelorussian silver coin "Ballet of Byelorussia" produced at the Lithuanian mint. This year an Italian award was given to a 50 litai commemorative Lithuanian coin commemorating the 425th anniversary of the Vilnius University. The award was for depiction of architecture on a coin.

Among the technologically complicated coins was the Lithuanian gold coin weighing barely 1,244 grams and the first multi-edged gold coin. The first Lithuanian coins minted were 1, 2 and 5 centai coins minted in 1992. After a year, the mint minted its first commemorative coin: a 10 litai cupro-nickel coins commemorating the 50th anniversary of the Stepanas Darius and Stasys Girėnas flight across the Atlantic.

### **Demand by collectors will go up**

Arūnas Dulkys, former President of the Board of Directors of the Mint, calculates that in the 15 years of the Mint's existence, over a thousand tons of Lithuanian litai and centai coins have been minted. According to him, there are more than three tons of Lithuanian silver and gold coins distributed among collectors around the world.

The last Lithuanian historical gold coin was minted during the mid 17th century. The renewal of minting silver and gold coins in our time is a giant step. The history of the issuance of national coins and numismatic traditions are determined not only by the equipment, but also by cultural wealth and ideas", said Mr. Dulkys.

Mr. Valatka has no doubts that once Lithuania is admitted into the euro zone "the demand for collectable Lithuanian coins will go up". The Director says that at the state run mint, not only coins are produced, special scales are ordered by metrological centers and lead presses by energy companies. Also, each month the mint produces about 100 decorations.

## 6. **COIN MINTERS ARE RETOOLING FOR THE EURO**

LIETUVOS RYTAS, January 16, 2006. By Mantas Dubauskas, correspondent.

### **Into the mint - without the wallet**

No metal coins. This rule applies to all workers at the Mint of Lithuania and to all visitors. Its best to go into the minting facilities, where the litai and centai coins are minted, without any money and with empty pockets. Its possible to take a coin into the mint, but its impossible to take even one out. If a visitor should take a couple of cents into the mint by accident, on leaving he will have to say good bye to his treasure. The security officers informed the correpondant from 'Lithuania's Morning' visiting the Mint of Lithuania of these regulations.

### **The mint - almost ready**

According to the Director of the Mint, Jonas Valatka, the mint is technically realy to mint euro coins. They're only waiting to get permission from the European Union to begin the work. Lithuania is preparing to introduce the euro on January 1 of next year. By mid-year the European Union Council should make a decision on Lithuania joining the euro zone. If the decission is positive, the Mint of Lithuania will begin minting euro coins which will take the place of the litas. The euro coins minted in our country will be distinguished by the Vytis on the national side. The other side of the euro is the same in all countries. The euro banknotes, like the litai banknotes, will be printed in foreign countries.

### **Test strikes have been made**

The mint has already tested its technology to see if it can produce euros. Also to see if it can produce dies for the national side of the euro coins. "They can't be called euro coins, only test strikes of the national side. Coins will be minted only when we get permission from the European Union Council", explained J. Valatka. In truth, these examples at first glance are no different from the litas coins. The same Vytis, similar color of the metal. All is explained by the word "Example" minted on the other side.

### **Per minute - the average wage**

If it were not for the increased security and the massive metal doors, one might think that one is in a run-of-the-mill metal working factory and not in a mint. However, the output of this metal shop is not run-of-the-mill. In the shop where cent and litai coins are minted stand three minting machines, but coins are minted on only two. One machine can easily mint in one minute as many coins as an average Lithuanian worker earns in a month. The maximal capability of this machine is 700 coins per minute. The oldest of the three machines mints barely 125 coins per minute. With this machine the first 1,2 and 5 centai were minted in 1992. Now this machine is used to strike various medals.



## **To prepare - half a year**

According to J. Valatka, in about half a year 200 million euro coins will have to be minted. They will replace the litai coins. Later an additional 90 million euro coins will have to be minted as a reserve. Chairman of the Bank of Lithuania Governing Board Reinoldijus Šarkinas said that the minting of euros during 2006-2008 will cost Lithuania about 40 million litai. At the same time, obtaining the common and euro banknotes, and other minting expenses can reach about 80 to 100 million litai.

“We can not consider these to be additional expenses, because if it were not euros, we would be minting litai and centai coins and we would be ordering new banknotes from foreign printers”, said R. Šarkinas.

## **For the presses - their own foundations**

If Lithuanian euros will begin to be minted after the summer, the mint will have to devote almost all of its resources to this undertaking. At this time the mint is minting commemorative coins, decorations and medals. During our visit, the 750 ton presses had just minted coins for collectors on order from Byelorussia. For these coins a completely different set up is required. Generally coins for collectors are minted at a slower rate as they are of a better quality than coins meant for general circulation. A press with such a capability was installed on its own foundation, otherwise the mint building would collapse.

## **Medals are also produced**

According to J. Valatka, the Mint of Lithuania is the only mint in all of the three Baltic countries. Byelorussia also does not have a mint. Thus, the Lithuanian Mint is not lacking for orders from neighboring countries as well as Armenia. All the Latvian decorations are minted in our country. All the decorations of Lithuania, except for one, “Už Nuopelnus Lietuvai” (For Merit to Lithuania), are also minted in our country. Negotiations are now being conducted with Denmark for the minting of a decoration. Foreign coins for circulation are not minted in Lithuania. J. Valatka stated that the mint may in the future get an order to mint euro coins for a foreign country. At this time all countries using the euro have their own mints. However, in the near future, new members of the European Union are planning to introduce the euro which do not have their own mints - they are Latvia, Estonia, Slovenia, Malta and Cyprus. Lithuania has been invited by Slovenia to bid for the minting of Slovenian euro coins. However, Slovenia is also planning to join the euro zone as of next year, thus Lithuania would not be able to produce euro coins for Lithuania and for Slovenia. “However, we do not discount the possibility of competing at a later date”, said J. Valatka.

## **Minting from the 14th century**

The history of minting in Lithuania reaches back seven centuries. Based on the coins found, it is thought that coins were first minted by King Algirdas (1345-1377).

In 1922 Lithuania issued the litas, and plans were being made for a mint. The 1925, 1936 and 1938 issue coins were minted at the mint set up in the Kaunas “Spindulis” publishing house. With the reestablishment of independence, the Lithuanian Mint began minting 1, 2 and 5 centai coins in 1992.

## THE LAST COMMEMORATIVE COINS WILL BE ISSUED IN GREATER NUMBERS

*KAUNO DIENA, January 13, 2006, p. 7*

BNS. With Lithuania planning to replace the national currency, the litas, with the euro next year, the Bank of Lithuania has decided to greatly increase the quantity of the commemorative coins to be issued this year and to again issue a set of all the coins currently in circulation.

The Bank of Lithuania announced that 3,000 coins of the first commemorative issue planned for this year, to commemorate Lithuanian wildlife, will be minted - 1,000 more than was originally planned.

Two additional commemorative coins are planned for this year. The first is from the series 'Lithuanian Historical and Architectural Monuments' and will commemorate the Medininkai Castle. The second will commemorate the 1831 uprising and the 200th anniversary of the birth of its heroine Emilija Pliaterytė. The issue has been increased by 500 for a total of 2,500.

According to the announcement from the Bank of Lithuania, the increases in the mintage of commemorative coins is in direct response to the recent sharp increase in demand for commemorative coins in-country and from foreigners.

From 1995 to 2005, the Bank of Lithuania issued 45 commemorative coins of various denominations. This year, besides the three commemorative coins, 2,000 coins with the "Visions for the 21st Century" theme are planned and 5,000 gold coins commemorating the litas.

During their meeting on Thursday, the Directors of the Bank also decided to issue for collectors a set of 2006 coins. It would include not only the current 10 centų and the litai denomination circulating coins, but also the 1991 issue 1, 2 and 5 centų circulating coins. 5,000 sets of these coins will be available by the second quarter of this year.

The Bank of Lithuania had previously issued three such sets, coins minted in 1991, 2000 and 2003.

The euro will replace the litas on January 1, 2007.

## A GOLD COIN WILL COMMEMORATE THE "FUNERAL" OF THE LITAS

*KAUNO DIENA, April 15, 2005*

BNS. The Bank of Lithuania will issue a gold coin commemorating the litas at the end of 2006.

The Bank of Lithuania announced that if the euro is introduced in Lithuania at the beginning of 2007, the commemorative coin will be issued. It will weigh 7.78 grams and 5,000 will be minted.

In all five commemorative coins will be issued in 2006 - a 50 litai commemorating the wildlife of Lithuania, one commemorating the Medininkai Castle, the 1831 uprising and the 200th anniversary of the birth of its hero Emilija Pliaterytė and a coin on the theme "vision of the 21st century".

In the second quarter of 2005 a 50 litų commemorative coin will be issued commemorating the 150 anniversary of the Lithuanian National Museum.

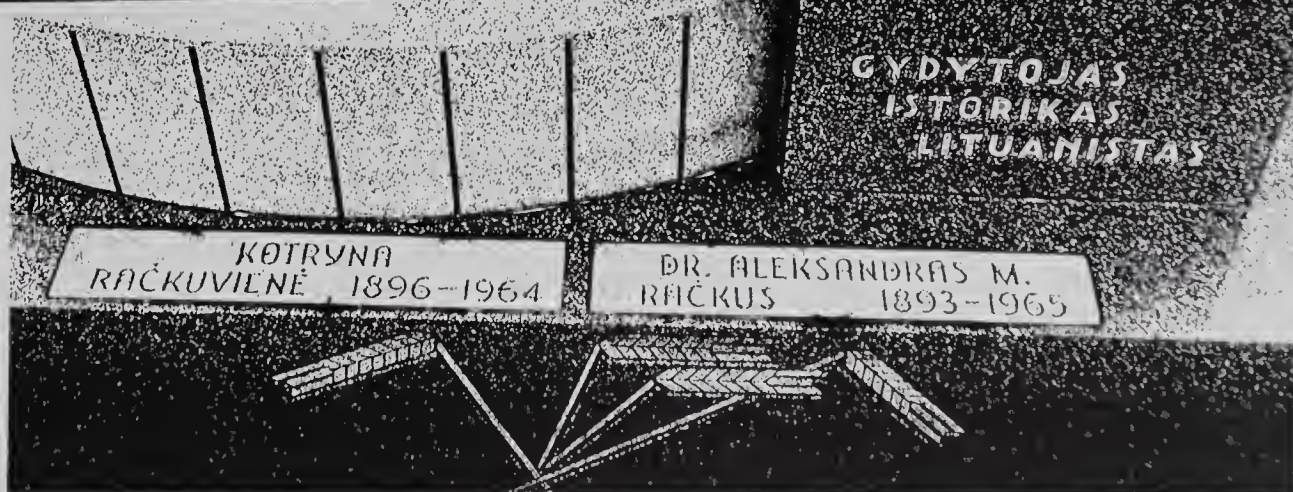


# RAČKUS BURIAL SITE LOCATED

As a follow-up to our article in the November-December 2004 issue of The Knight, LNA member Dr. Audrius Plipolys, M.D. has located the burial site of Lithuanian numismatist Dr. Aleksandras M. Račkus (1893-1965).

Dr. Račkus is interred in St. Casimir's Lithuanian Cemetery, 4401 W. 111th St., Chicago, IL 60655. (773) 239-4422. He is interred in Section 72, Lot 59-B, and Grave 3-S. His wife Kotryna (1896-1964) is interred next (on the left) to him.

Pictured here, courtesy of Dr. Plipolys, is Račkus' tombstone. It has been added to his listing on the [www.findagrave.com](http://www.findagrave.com) website. We encourage our readers to visit his listing on that website and leave "virtual flowers" if you wish.



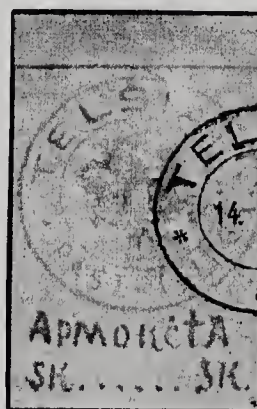
## LETTERS

9.

Congratulations on 150 issues of The Knight! You've done a great job in putting a quality newsletter together over all these years, with so much informative and interesting material. I am also happy to see that the LNA has survived financially for so many years. I joined the LNA sometime in the early days, I think at a coin convention in Baltimore. My wife is Lithuanian. Best wishes and keep up the fine work!

---Kazmier Wysocki, Hackensack, NJ.

## WANTED TO BUY



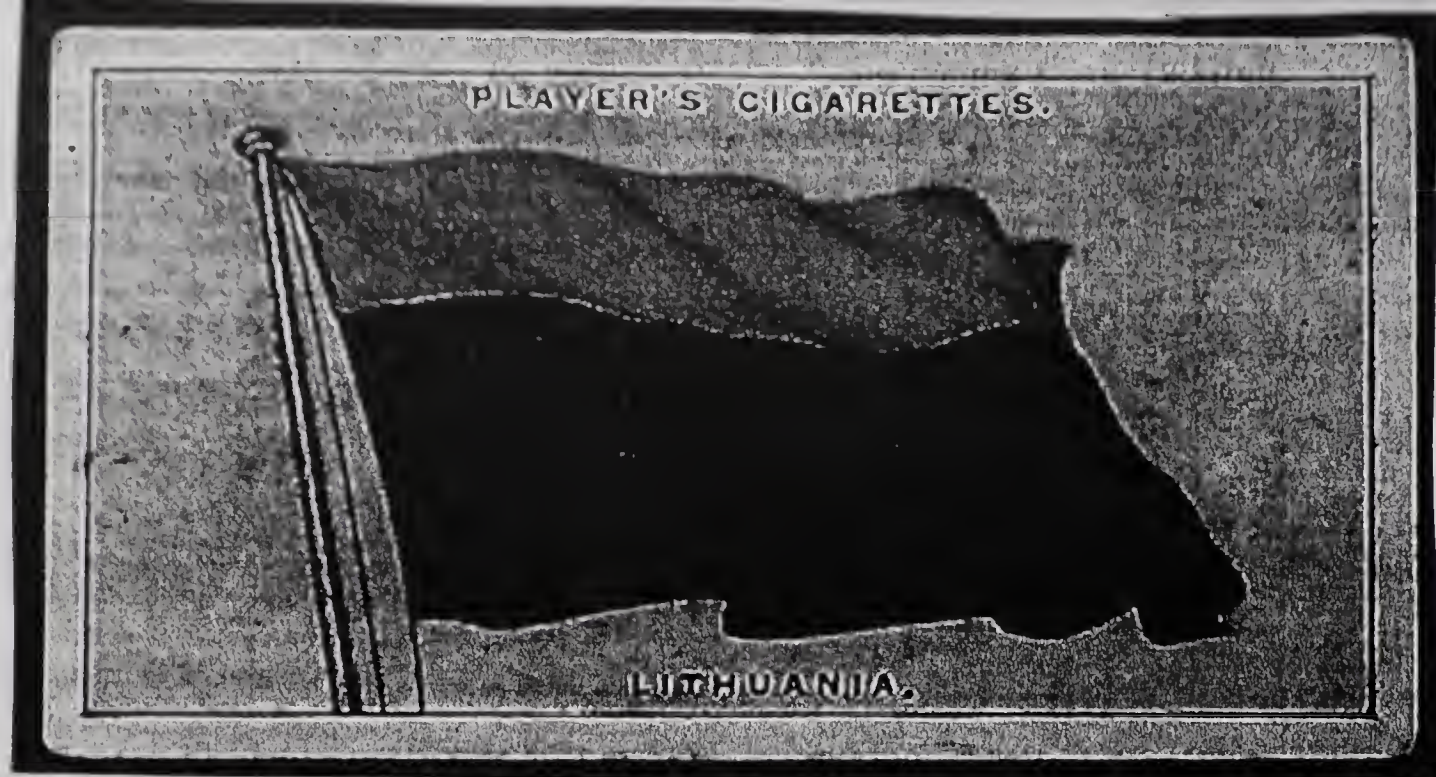
Lithuanian Postmaster Provincial from the city of Telšiai.

Issued on January 14, 1920.

I need actual items, articles, information, scans, photocopies, etc.

Julius Lou Merkys  
2740 Morning Star Court  
Willoughby Hills, OH 44094-9800  
Cell: (440) 934-0885  
Fax: (440) 943-5708  
E-mail: LouMerkys@aol.com  
Life Member: NAWCC, AWCI, WAO

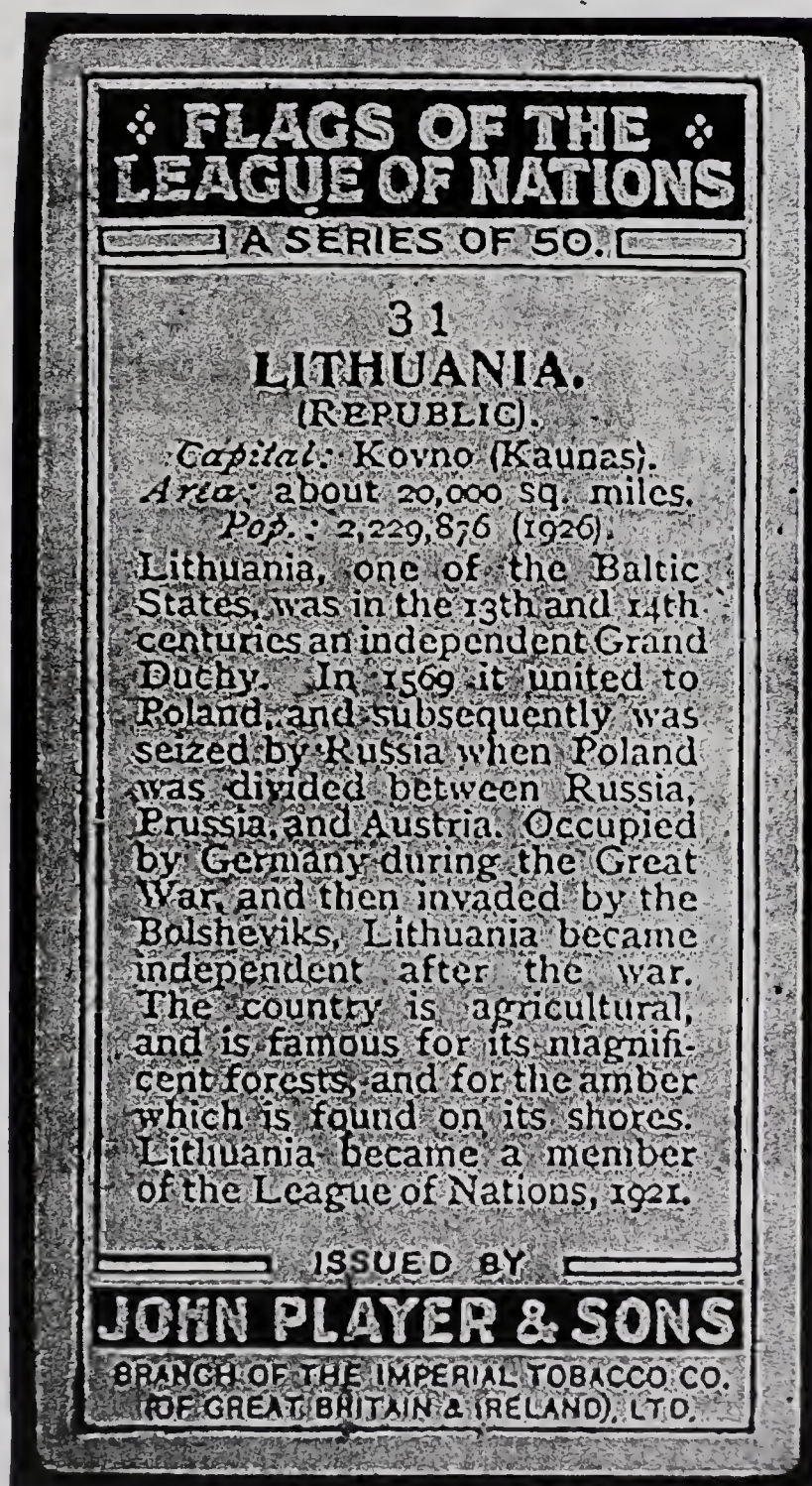




## LETTERS

In your article in issue #150 (April-May 2006) regarding the coins postcard, you asked if anyone else had any similar items. I do. Attached is a scan of Lithuania featured on Tobacco cards issued in Great Britain by John Player & Sons circa 1927. The face features the Lithuanian flag. The back gives a brief history of Lithuania [Illustrated here].

---Tony Tumonis, Tucson, AZ.



THE KNIGHT, Volume 28, No. 5, Issue #151. May-June 2006. The official publication of the Lithuanian Numismatic Association. Aleksandras Radzius, Baltimore, MD. DIRECTOR. Frank Passic, Albion, Michigan, EDITOR.

Subscription/membership to Volume 28 (5 issues) a donation of \$25 or more. Write: Alex Radzius, Lithuanian Numismatic Association, P.O. Box 22696, Baltimore, MD 21203. E-mail: Lithnumis@hotmail.com

EDITOR'S ADDRESS: Frank Passic, 900 S. Eaton St., Albion, MI 49224. Albionfp@hotmail.com

FOR BACK ISSUES: Write: Sarunas Mingela, 46707 Stratford Court, Northville, MI 48167. The LNA is a member of the American Numismatic Association C-117903.

This concludes Volume 28 of The Knight. Volume 29 will begin with the September-October issue this Fall.